THICLASSIFIED

(167)

ACI - Mi August 29, 1946

INT 606/1

ADVISORY COMMITTEE ON TETELLIGENCE

Pourth Meeting August 29, 1946 4:30 - 5:30 p.m.

Eddy, MA-E (Chairsen)
Braden, A-Br
Russell, A-B
Rickerson, A-B (Representing Fr. Lunn)
Lyon, GCE (Coserver)
Evens, CCL (Executive Secretary)

Minutes

1. Substitution of CIG for FBI Personnel in GiB.

The Chairman reported on the present situation in this matter (see Item 2, Ninutes, ACI = E3, August 6). Personnel have actually been withdrawn from Fanama and the Dominican Republic. The former station, however, was based on a special arrangement with G-2 and exceptional; C.G will give special priority to placing its own personnel in the Dominican Republic. Assurances have been received that no further withdrawels will occur pending arrangements for replacement.

2. CIS Proposal.

Mr. Lyon opened the discussion of a letter from the lirector of Central Intelligence to the Acting Secretary, dated August 22, 1916. He first considered the Acting Secretary's question concerning paragraph 2-6 of the letter; hr. Lyon had been informed by C'G that this paragraph meant that all payments by the State separtment would be religioused by CH. It was a procedure which had been followed during the war with regard to other agencies, and CHO expected to follow this procedure by maintaining a fund as a form of advance payment spaints expenditures of the State separtment on its behalf. Arrangements already existed for headling these funds with utmost security and with the knowledge of a minimum of personnel. Er. scorell sephasized that the text of the biroctor's latter should be amended to make quite clear the financial relationship. The Committee agreed that an appropriate change should be made in the letter before the proposal was finally accepted.



UNCLASSIFIED

INT 606/2

Mr. Lyon reported that the foreign Service had agreed that the proposals could be worked out in tractice, with the reservation that caution must be observed to prevent oversianing of Lissions and consequent complaints from oreign offices. The list of positions satually proposed comprised 53 strackes, it assistant attaches, and 75 wine consuls. As protection to the bepartment, the proposals provided that all personnel should be accepted by the geographical dosks, trained in the usual Foreign Service training courses, and whenever possible apprenticed for a short pariod to the appropriate geographical desks. In this way the impartment would be assured of personnel acceptable to its missions and sufficiently acquainted with the foreign Service background. hr. mraden inquired whether scooptance by geographical desks implied agreement upon the designation to be granted each individual. Er. Lyon indicated that this matter would certainly be within the discretion of the geographical desks. The Committee agreed upon the need for clear understanding that in accept-Ang personnel on behalf of CIG, the Department should in each case determine the designation appropriate to the individual and to the location for which he was intended.

Mr. Hickerson said that he approved the proposal; he felt, however, that one condition of acceptance should be an agreement with military and navel authorities upon the allocation of responsibility for reporting as between field representatives of state, are and havy. Unquestionably the State Department should be responsible for all political, economic, financial and press reporting. Not he had observed in the most recent manual of instructions for military attaches a directive to report on scenario and political matters. Such instructions had to duplication, waste, inexport reporting, and contradictions.

In regard to the GIO proposals are dessell requested confination that, as indicated in perception i-f of the limitar's letter, the personnal concerned would up no positive intelligence work unless specifically so authorized by the chief of mission. I.e. Lyon indicated that this was a definite part of the understanding and are addy pointed out that the work of the tild group was defined by method rather than by subject satter. Are brained argued, however, that delimination or responsibility for reporting in the field was an everall matter which required settlement. He and has the field was an everall matter which required settlement in the present unclarified situation and of the danger inherent in the present unclarified situation and of the profit which enough upon proper integration whereby representatives of State and the Service Repartments exchanged with each other information appropriate to their respective spheres of interest.



-3-

Er. Bussell suggested that the present moment was the time for a general agreement upon ellocation of responsibility, and that a group be formed within the expertment to prepare proposals for presentation to CIG. Hr. evens reported that CIG had under consideration the forming of a working group to investigate suitable division of labor among field reporters. The Committee agreement that a letertmental group should be formed to prepare proposals leading to sharper division of responsibility amongst field reporters, and that it should comprise a representative of CA-Z as Chairman, br. Lyon, and a nomines of kr. Braden to represent the geographic and economic offices. Mr. Eddy indicated that he would appoint Kr. O. R. Fearing, Director of CCO, as Chairman of the Committee. Mr. oraden subsequently nominated Mr. Ellis C. Briggs as his representative.

hr. Mussell indicated that he approved of the letter in general with modifications already discussed, but he assumed that the list of locations and designations were still subject to modification by agreement. Mr. Lyon said that although in some few cases personnel were already at work in the field, the list in general was, as desired, subject to modification.

ACTION: The Committee approved the letter of the Sirector of Central Intelligence in principle, subject to the following considerations:

- A. Thragraph 2-b should be exhibited to make clear the financial responsibility of CIG.
 - B. The text in 1-a should be modified to indicate definitely that the impartment must clear, in each case, the designation as well as the intended location of each exhibits.
 - C. The attached list of locations and designations should be regarded as a tentative proposal for modification by agreement between the separtment and CiG.
 - D. The proposal should not go into force before explicit agreerent had been reached between the repartment and the other beryloss /#gencise/ on the allocation of responsibility for rivid reporting-

3. Next Besting.

The Chairman suggested that the next meeting should take place not on deptumber 3 but on deptember 10, and the domaittee agreed. He announced that the items of business would be:





- (a) The constitution of a field force for positive intelli-
- (b) The need for special security measures in the intelligence organization as distinct from the department as a whole.

VERIFIED:

Executive : scretary

UNCLASSIFIED